

**LAND ASSEMBLAGE REDEVELOPMENT AUTHORITY
MINUTES OF THE BOARD OF DIRECTORS MEETING
HOUSTON, TEXAS**

May 31, 2013

A meeting of the Board of Directors ("Board") of the Land Assemblage Redevelopment Authority ("LARA" or the "Authority"), a Texas non-profit corporation created and organized by the City of Houston as a local government corporation pursuant to the Texas Transportation Code Annotated, Section 431.101, et seq., and the Texas Local Government Code Annotated, Section 394.001 et seq., was held in the Houston City Hall Annex Council Chambers, Public Level, 900 Bagby Street, Houston, Harris County, Texas, on Friday, May 31, 2013 at 2:00 p.m. Written notice of the meeting, which included the date, hour, place and agenda for the meeting, was posted in accordance with the Texas Open Meetings Act.

Board members in attendance were:

Reshard Alexander	Pastor Steve Hall
Vincent Marquéz	James Harrison, III
David Collins	Jeremy Ratcliff
LaTricia Williams	Rev. John Bowie

Board members absent were Stephen Fairfield, Antoinette Jackson, Curtis Lampley and Nicholas Hall.

Others in attendance included: Agatha Collins, Yvonne Cantu, and Norma Garcia of the City of Houston Housing and Community Development Department; Greg Erwin, Attorney, and Mark Glanowski, Paralegal, of Winstead PC, the Authority's General Counsel; Gracie Saenz, Attorney, of Saenz & Burkhardt, P.L.L.C.; Chris Butler, Special Assistant to the Mayor of Houston for property construction; Lynn Henson of the City of Houston's Planning and Development Department; Leah Stolar of Linebarger Goggan Blair Sampson, LLP; Jorge Cavazos, Senior Real Estate Analyst of the City of Houston Housing and Community Development Department; and Johnnie Ferrell.

I. Call to Order and Roll Call

Chairman Collins called the meeting to order at 2:04 p.m. A roll call of the Board members in attendance immediately followed.

II. Approval of Minutes for February 22, 2013 Board Meeting

Chairman Collins asked if there are any comments or changes to the minutes of the February 22, 2013 Board of Directors meeting. Hearing none, he then requested a motion to approve such minutes as written. Pastor Hall made a motion to approve the minutes as written which motion was duly seconded by Mr. Ratcliff and approved by a unanimous vote of the Board.

III. Treasurer's Report

Chairman Collins requested Mr. Ratcliff to give a review of the highlights of the Treasurer's Reports for the four months ended January 2013, February 2013, March 2013 and April 2013. Mr. Ratcliff informed the Board that the available cash to acquire additional properties and/or paying related acquisition costs is \$1,071,051. As of April 30, 2013, receivables of \$3,200.00 are over 30 days past due. As of April 30, 2013, the balance available in the Sewer and Water Tap program is \$578,834.00. He noted there has been no change in the assets for the Energy Star Program which remains at \$282,061.00. (This amount has not changed since July 2010.) Mr. Ratcliff stated the available fund balance in the CDC program is currently \$345,038.00. Lastly, he mentioned that interest income in the amount of \$4,944.00 was earned on the money market account for the period from July 2012 through April 30, 2013.

Chairman Collins asked if there were any other questions, hearing none, he asked for a motion to approve the financial reports for the four months ending January 2013, February 2013, March 2013, and April 2013. Mr. Ratcliff made a motion to approve the treasurer's reports as submitted to the Board which motion was duly seconded by Mr. Harrison and approved by a unanimous vote of the Board.

IV. Auction Update by Linebarger Goggan Blair & Sampson, LLP

Chairman Collins then asked Ms. Stolar to report on the current auction activity. Ms. Stolar stated that three strike-offs and two sales were made at the May foreclosure sale and noted that six lots are available at the June foreclosure sale. To date LARA has acquired a total of 1,352 lots at the foreclosure sales.

V. Committee Reports

a) Executive Committee Report

Chairman Collins then asked Pastor Hall to report on the matters discussed and approved by the Executive Committee meeting. Pastor Hall stated that the committee had considered and approved two lot acquisition contracts with A+ Affordable Homes and the Tejano Center, respectively.

He also reported that the Committee discussed reallocating funds in the Sewer and Water Tap account, the CDC account and the Energy Star Program account for other uses in the LARA neighborhoods.

b) Builder Selection Committee Report

Nothing to report.

c) LARA/Houston Hope Construction Report

Chairman Collins requested Mr. Cavazos to report on the status of the Houston Hope single-family house construction status. Mr. Cavazos reported there are currently 17 houses

under various stages of construction; 23 houses that have now been completed but are unsold, and there have been a total of 262 houses sold to homebuyers.

Chairman Collins then asked Mr. Butler to discuss the following two action items for consideration by the Board, to wit:

- 1) Ratification and acknowledgement of award of a LARA lot acquisition contract to A+ Affordable Homes for the construction of new affordable housing under the Solicitation of Offers for Affordable Housing Development \$1 Lot Program in Fifth Ward, Contract #121112-01.**
- 2) Ratification and acknowledgment of award of a LARA lot acquisition contract to Tejano Center under contract #082112-01 in the Fifth Ward for construction of new affordable housing under the \$1 Lot Program. (Tabled 8/24/12)**

Chairman Collins asked if there were any questions with regard to the two (2) lot acquisition contracts presented for approval, hearing none, he requested a motion on the contracts with A+ Affordable Homes and Tejano Center. Mr. Marquéz made a motion to approve the lot acquisition contracts submitted by A+ Affordable Homes and Tejano Center. Such motion was duly seconded by Ms. Williams and approved by a unanimous vote of the Board.

VI. LARA Services

1. Consideration and possible action authorizing one of the following firms to conduct the annual audit review for LARA: Weaver, Null-Lairson, P.C., MFR, or UHY Advisors (pricing can be viewed on the Exhibit "G").

Upon motion by Mr. Marquéz to accept the proposal of MFR, which motion was duly seconded by Ms. Williams, the Board voted unanimously to approve the proposal submitted by MFR for auditing services at a fixed fee of \$14,000.00 plus printing and travel costs.

2. Consideration and possible action authorizing McConnell & Jones LLP to conduct the monthly accounting services for LARA at a fixed monthly fee of \$3,600. Additional hours will be discussed on an as needed basis (billing rates vary).

Upon motion by Mr. Marquéz to accept the proposal of McConnell & Jones LLP to conduct accounting services, which motion was duly seconded by Ms. Williams, the Board voted unanimously to approve the proposal submitted by McConnell & Jones LLP for accounting services at a fixed monthly fee of \$3,600.00.

3. Consideration and possible action authorizing Isaac Cruz, P.C. to conduct the monthly bookkeeping services for LARA at a fixed monthly fee of \$2,500.00. Additional services/hours will be discussed on an as needed basis (billing rates vary).

Upon motion by Mr. Marquéz to accept the proposal of Isaac Cruz, P.C. for bookkeeping

services, which motion was duly seconded by Ms. Williams, the Board voted unanimously to approve the proposal submitted by Isaac Cruz, P.C. at a fixed monthly fee of \$2,500.00.

4. Consideration and possible action authorizing one of the following firms for legal services:

- a) **Greenberg Traurig's in the amount of a flat fee of \$7,000.00/mo. or a 10% discount from standard rates.**
- b) **Andrews Kurth LLP in the amount of a flat fee not to exceed \$10,000.00/mo., a 10% discount from standard rates, or project estimates.**
- c) **Winstead in the amount of a maximum monthly fee of \$10,000.00.**

The selection of a firm for legal services was tabled until the next Board meeting.

VII. Consideration and possible action authorizing the sale under the ROFR Program to Ms. Alicia Cruz for LARA Lot – HCAD 0162730010007, TRS 7 Block 1, Highland Heights.

Mr. Butler explained the LARA Right of First Refusal program and stated that Ms. Cruz met all of the requirements. Upon motion by Ms. Williams, duly seconded by Pastor Hall, the Board voted unanimously in favor of selling the requested lot to Ms. Cruz for \$7,823.00 pursuant to LARA's Right of First Refusal program.

VIII. Reconvene in Open Session.

Nothing to report.

IX. Chairman's Comments.

Chairman Collins stated that he had no comments.

X. Board Member Comments.

Nothing to report.

XI. Public Comments.

Mr. Johnnie Ferrell addressed the Board with regard to a lot at 4650 Alvin which he had bid on at a foreclosure sale about six years ago, however the city outbid Mr. Ferrell and purchased the lot next to his rental property at 4648 Alvin. Mr. Ferrell now wishes to purchase the subject lot from LARA. Mr. Butler told Mr. Ferrell that he would meet with Ms. Leah Stolar and Ms. Lynn Henson after the meeting to discuss the possible actions pursuant to which the subject LARA lot could be purchased through the Right of First Refusal program.

XII. Adjournment.

Chairman Collins asked if there were any additional matters to be considered by the Board. Hearing none, the Board meeting adjourned at 2:22 p.m. pursuant to the motion by Pastor Hall duly seconded by Rev. Bowie.

Signed on the ____ of _____, 2013.

Minutes prepared by:

Mark Glanowski of Winstead PC
and Graciela Saenz of
Saenz & Burkhardt, P.L.L.C.

President